



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 28, 2006

Larry Walker
P. O. Box 25
Moab, Utah 84532-0025

Subject: Complete Notice of Intention to Commence Small Mining Operations and Approval of Form and Amount of Reclamation Surety, Larry Walker, Tusher Redwood Project, M0190061, Tasks 1452 and 1499, Grand County, Utah

Dear Mr. Walker:

On August 2, 2006, we received your Reclamation Contract and \$1000.00 cash surety for the referenced mine site. On August 17, 2006, the Division Director approved the reclamation surety. Copies of the signed and executed documents are enclosed for your files. We will forward a copy of the executed documents to the BLM state office for their records. The surety will be reviewed periodically to assure that the bond remains adequate.

The Division finds your small mining notice of intention complete and approves the reclamation surety for the Tusher Redwood Mine. You may commence with your mining operations as outlined.

We have not received any notification from State History, within the specified timeframe, as to whether or not there are any historical concerns in the proposed location. **Please be advised that if you encounter any archaeological or historical concerns, we recommend that you immediately cease operations and notify this office, the Bureau of Land Management, and State History of your find.**

In accordance with the requirements of Rule R647-3-105, regarding the project location and disturbed area identification on a topographic map, ***the Division requests that you mark the area identified in the Reclamation Contract as disturbed (including access/haul roads) in the field with metal T-Posts (or other suitable, fixed markers) to assure that operations do not exceed the five acre limitation of this permit.*** Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

Page 2 of 2
Larry Walker
M0190061
August 28, 2006

The acceptance of this notice and surety is for a small mining operation only, **not to exceed one acre**. You are not authorized to disturb beyond the one acre without first amending your notice, adjusting the bond amount and receiving written acceptance from this office.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a mine site (SMO-summary). (The mining rules in their entirety can be obtained at <http://www.rules.utah.gov/>.) Please give special consideration to item #10 of the "Operation and Reclamation Practices." Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

If you have questions or concerns regarding this letter, please contact me at (801) 538-5258 or Paul Baker at 538-5261. Best wishes with your new mining venture.

Sincerely,



Susan M. White
Mine Program Coordinator
Minerals Regulatory Program

SMW:PBB:pb
Attachment: SMO summary
Enclosure: Copy of RC & surety forms
cc: Frank Bain, Moab BLM w/o enclosures
Opie Abeyta, BLM State Office w/enclosures
P:\GROUPS\MINERALS\WP\M019-Grand\S0190061-TusherRedwood\final\app-08252006.doc

Assigned DOGM File No.: S 10191061
DOGM Lead: Paul Baker
Permit Fee \$ _____ Ck # _____

RECEIVED

JUL 31 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

I. GENERAL INFORMATION (Rule R647-3-104)

1. Name of Mine: TUSHER REDWOOD
2. Name of Entity Applying for Permit: LARRY WALKER
Contact (Authorized Officer): _____
Address: PO BOX 25
City, State, Zip: IMPAIS UTAH 84532
Phone: 435 210 0096 Fax: _____
E-mail Address: REALCOLDROCKS@YAHOO.COM

Entity is a: Corporation () LLC () Sole Proprietorship (dba) ()
Partnership () General _____ or _____ limited
Individual ☒ Other () - specify type) _____

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations www.commerce.utah.gov.

Are you currently registered to do business in the State of Utah? ☐ Yes ☒ No
Entity # _____

Local Business License # _____
Issued by: County _____ or City _____

Registered Utah Agent (as identified with the Utah Department of Commerce):

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

APPROVED

AUG 17 2006

DIV. OIL GAS & MINING

3. **Entities Representative (if different from #2)**

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

4. **If Partnership or Sole Proprietor:**
Name of 1st partner / Sole Proprietor:

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Partnership:

Name of 2nd Partner: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Corporation:

Name of Officers: _____ Title: _____
_____ Title: _____
_____ Title: _____
_____ Title: _____

If Limited Liability Company: Member Managed ☐ Manager Managed ☐

Name of 1st Member/Manager: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 2nd Member/Manager: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 3rd Member/Manager: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

APPROVED

AUG 17 2006

DIV. OIL GAS & MINING

5. **Ownership of Land Surface:**

Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐
State Trust Land/School Sections ☐ State Sovereign Lands ☐
Other (please describe): _____

Name _____ Address _____
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

6. **Ownership of Minerals:**

Private (Fee) ☐ Public Domain (BLM) ☒ National Forest (USFS) ☐
State Trust Land/School Sections ☐ State Sovereign Lands ☐
Other (please describe): LODE CLAIMS (CAST AND LUMB)

Name LARRY WALKER Address P.O. BOX 25 MOAB UT 84532
Name _____ Address _____
Name _____ Address _____
Name _____ Address _____

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): _____

BLM Claim Numbers UWC 367759 (CAST)

Utah State Lease Number(s): _____

Name of Lessee(s) _____

7. **Have the above surface and mineral owners been notified in writing?**

Yes X No _____

If no, why not? _____

*Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration **prior** to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.*

8. **Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice?** Yes X No _____

APPROVED

AUG 17 2006

DIV. OIL GAS & MINING

II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location** (legal description):

County(ies): GRAUD

NE 1/4, of _____ 1/4, of _____ 1/4: Section: 24 Township: 24S Range: 19E
SE 1/4, of _____ 1/4, of _____ 1/4: Section: 24 Township: 24S Range: 19E
_____ 1/4, of _____ 1/4, of _____ 1/4: Section: _____ Township: _____ Range: _____

UTM East _____ (if known) UTM North _____ (If known)

Name of Quad Map for Location: JUG ROCK - GRAUD CO. UTAH

2. An accurate topographic base map showing the location of the proposed small mining operation must be submitted with this notice. The areas to be disturbed including access roads, must be plotted in sufficient detail so that they can be located on the ground. It is recommended that the Permittee / Operator also photo document, plot and label any pre-existing disturbances in the immediate vicinity that he is not responsible for.
3. The proposed (5 acre or less) disturbed area boundary (including access/haul roads) **should** be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. Type of mining: Surface ☒ Underground ☐

2. Mineral(s) to be mined: CARNELIAN AGATE

3. Amount of material to be extracted, moved or proposed to be moved: _____
UNKNOWN

4. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?

Yes ☒ No ☐ If yes, please describe (add extra pages if needed)

SMALL AMOUNTS OF WATER (300 GALLONS) ON
PREPARED SURFACE TO FACILITATE SOIL EXPANSION

5. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). SUBMITTED WITH

PREVIOUS PACKAGE

6. ☐ New Road(s): Length _____ (ft) Width _____ (ft)

7. ☐ Improved Road(s): Length _____ (ft) Width _____ (ft)

APPROVED

AUG 17 2006

8. Total project surface acreage to be disturbed: 1 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount - see #VI).

9. Proposed startup date of project (month, year) 7/06

10. Proposed completion date of project, if known (month, year) 5 year BLM purchase

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at www.ogm.ut.gov.

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.
11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

V. VARIANCE REQUEST (Rule R647-3-110)

Any variance request must be approved in writing by the Division

Yes ☐ No ☒

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. **Operation and Reclamation Practices** Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. A variance shall be granted if the alternative method or measure proposed will be consistent with the Act.

APPROVED

AUG 17 2006

DIV. OIL GAS & MINING

1st Variance Requested

Item # _____ Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed))
Justification: _____
Alternate methods or measure to be utilized: _____

2nd Variance Requested

Item # _____ Applicable Rule # _____
Justification: _____
Alternate methods or measure to be utilized: _____

3rd Variance Requested

Item # _____ Applicable Rule # _____
Justification: _____
Alternate methods or measure to be utilized: _____

Attach additional page if more variances are requested.

VI. **SURETY** (Act 40-8-7(1)[c])

A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations.

The Utah Mined Land Reclamation Act (40-8-7 (1)[c] and 40-8-14 provides the authority that all mining operations furnish and maintain reasonable surety to guarantee that the land affected is reclaimed according to accepted *notices* consistent with on-site conditions.

The surety amount is based on the nature, extent and duration of operations. *The surety amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions.*

Surety for small mines sites will be escalated three (3) years to the future. Contact the Division for dollar amount required for this project.

I have provided or will provide surety in the form of:

- ☐ Certificate of Deposit ☐ Letter of Credit ☐ Surety Bond ☒ Cash (certified funds)
☐ Other _____ (please identify)

VII. **PERMIT FEE** [Mined Land Reclamation Act 40-8-7(1)(i)]

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)(i)] provides the authority for the assessment of permitting fees. Commencing with the 1998 fiscal year (July 1 - June 30), permit fees are assessed to new and existing notices of intention, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

APPROVED

AUG 17 2006

Small Mine Notices require a \$150.00 fee which must accompany this application or it cannot be processed by the Division.

NOTICE: The following person(s) are authorized and designated to receive Notices of Violations, Cessation Orders and all other Notices required by the Division to be given to the permittee or operator:

Name: LARRY WALKER
Address: PO BOX 25
City, State, Zip: MOAB UTAH 84532
Phone: 435 210 0086 Fax: _____
E-mail Address: REALOLDROCKS@YAHOO.COM

Name: _____
Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

VIII. SIGNATURE REQUIREMENT

(Please check the box and place your initials on the line provided)

- ☒ I have enclosed the required permit fee. (Prior Submittal)
- ☒ I have enclosed a complete Reclamation Contract (Form MR-RC) and the appropriate reclamation surety amount or have made arrangements as to when the surety will be furnished.
- ☒ I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Oil, Gas and Mining and any other authorized regulatory agency.

CERTIFICATION

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- This certification must be executed by an executive officer if the applicant is a corporation; by a partner if applicant is a partnership (general or limited); owner if applicant is a sole proprietorship; member or manager if applicant is a limited liability company.**

Signature: [Signature] Date: 7/24/06
Name (typed or printed): LARRY WALKER
Title/Position (if applicable): INDIVIDUAL

O:\FORMS\notices\mr-smo-2005.doc

APPROVED

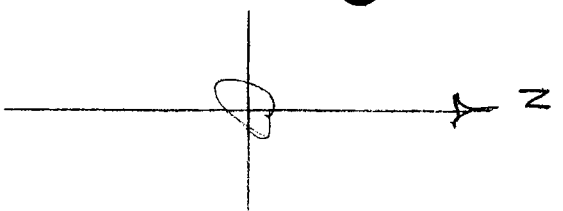
AUG 17 2006

CAST CLAIM UMC # 367759
 LOCATED MARCH 6 2001
 SECTION 24
 TOWNSHIP 24S RANGE 19E SE84W
 TUG ROCK QUAD / 7.5
 GRAND COUNTY UTAH

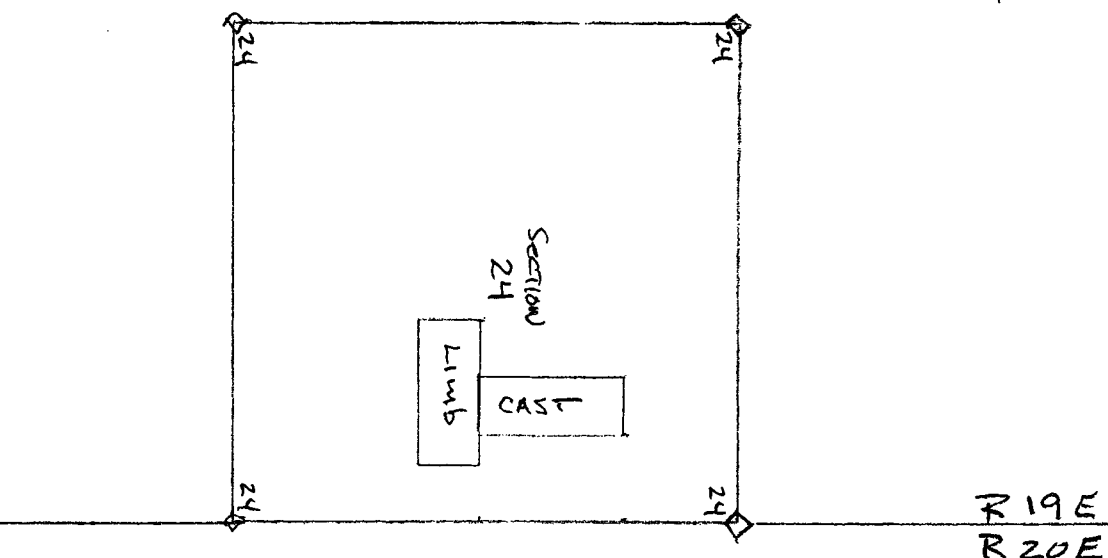
Limb claim
 LOCATED JULY 18 2006
 EUT # 473464 - BK 674 PG 397
 SECTION 24
 TOWNSHIP 24S RANGE 19E SE84W
 TUG ROCK QUAD / 7.5
 GRAND COUNTY UTAH

CLAIM OWNER: LARRY
 WALKER
 PO BOX 25
 MOAB UTAH 84532
 PH. # 435 210 0086

APPROVED
 AUG 1 / 2006
 DIV. OIL GAS & MINING



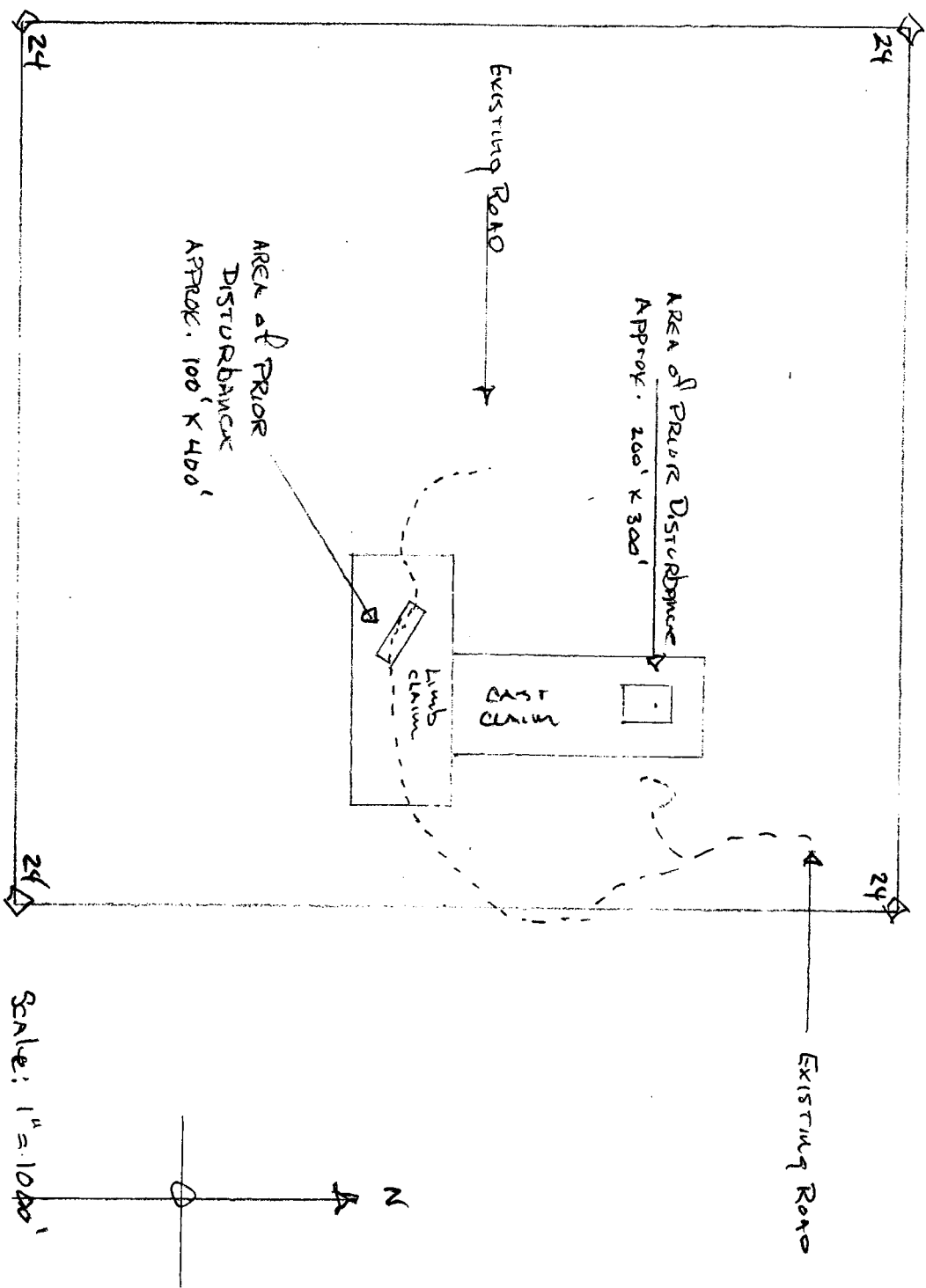
SCALE: 1" = 2000'



LARRY WALKER
 PO BOX 25
 MONTG, UTAH 84532
 PH # 435 210 0086

Section 24
 T 24S R 19E S 84m
 GRAND County UTAH
 Jug Rock Quad / 7.5

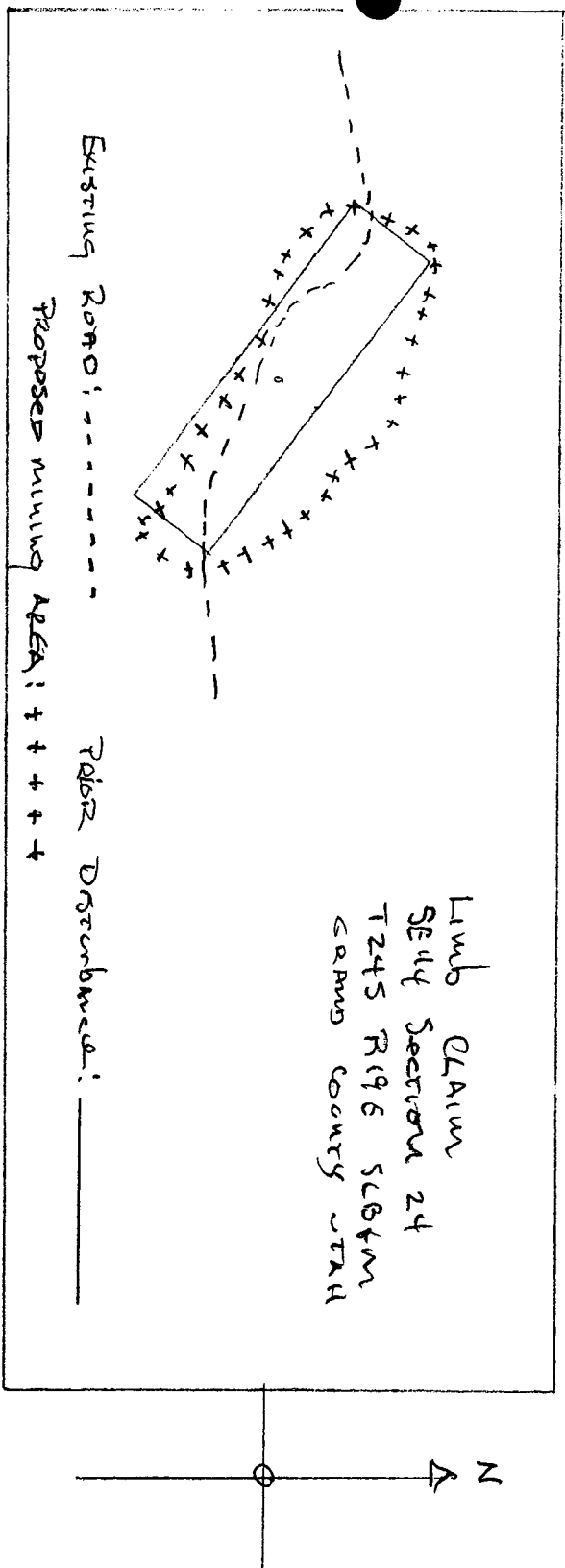
APPROVED
 AUG 1 / 2006
 DIV. OIL GAS & MINING



LARRY WATKINS
PO BOX 25
MORGAN, UTAH 84532

Limb Claim: DETAIL
Proposed Mining Area
Prior Disturbance

APPROVED
AUG 1 / 2006
DIV. OIL GAS & MINING

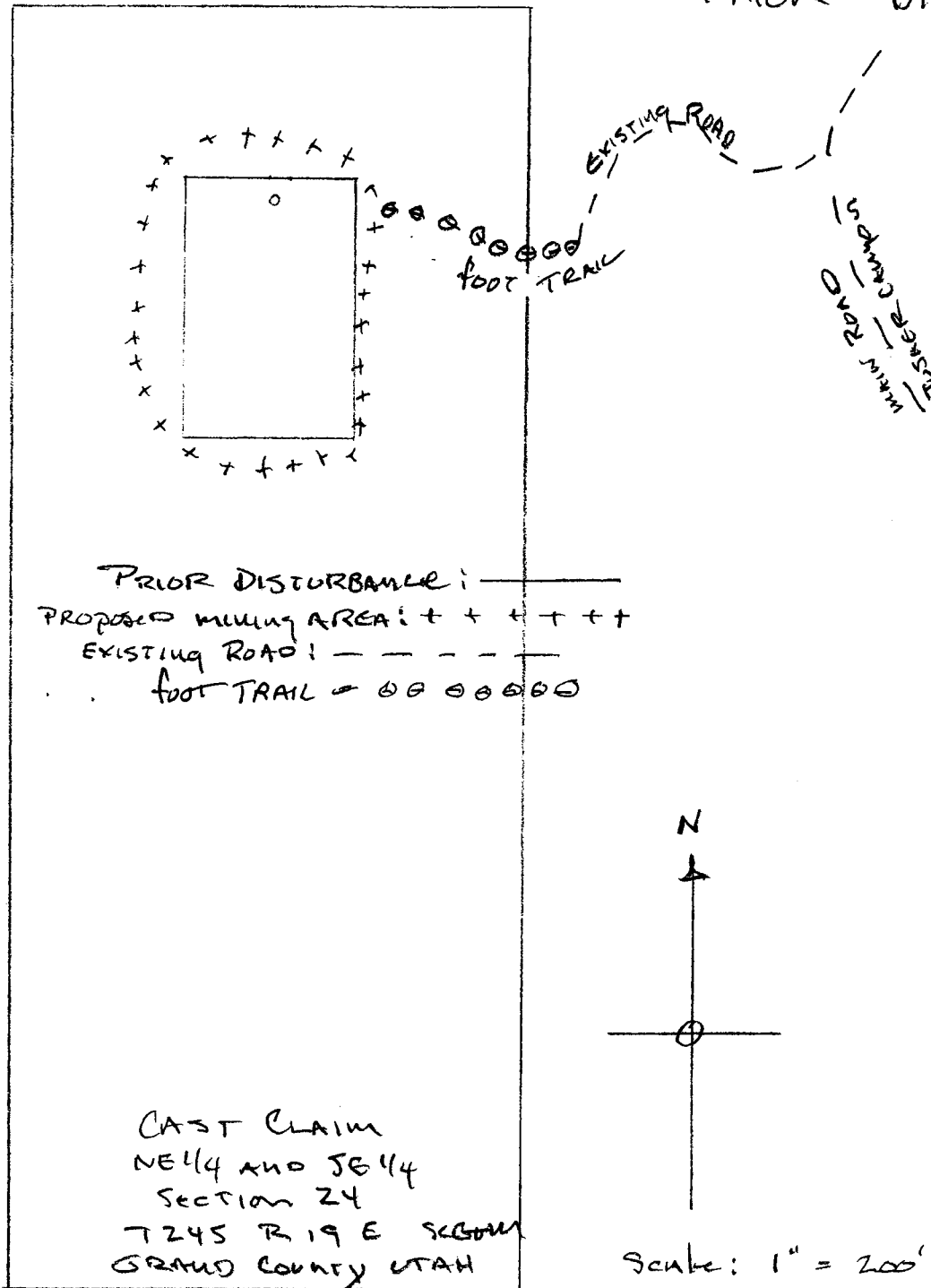


Scale: 1" = 250'

LARRY WACKER
PO Box 25
MOAB UTAH 84532
PH # 435 210 0084

CLAIM: DETAIL
Proposed Mining Area

PRIOR DISTURBANCE

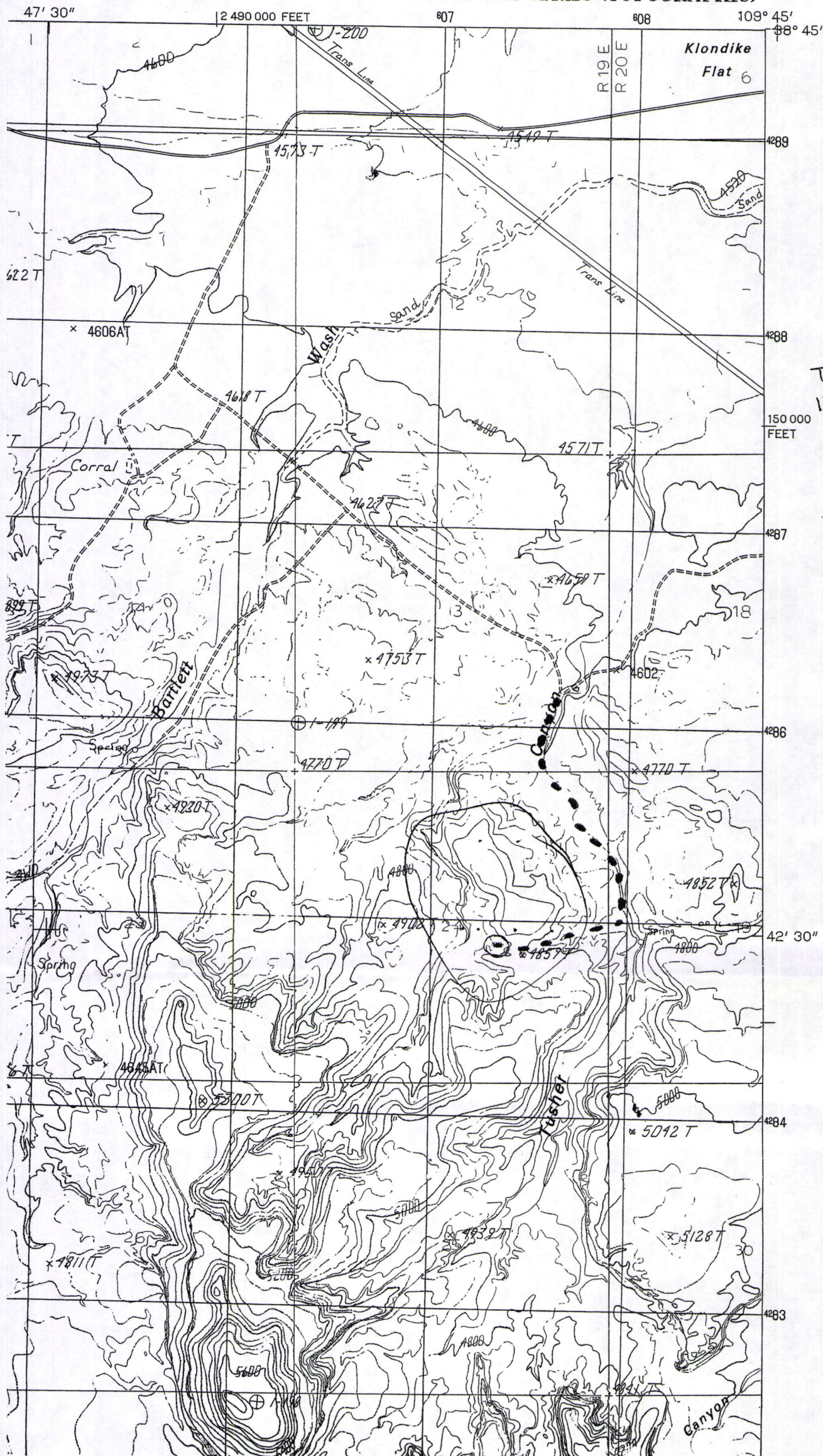


APPROVED

AUG 17 2006

DIV. OIL GAS & MINING

JUG ROCK QUADRANGLE
 UTAH-GRAND CO.
 7.5 MINUTE SERIES (TOPOGRAPHIC)



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECEIVED
JUL 31 2006
Div. of Oil, Gas & Mining

---ooOoo---

SMALL MINE RECLAMATION CONTRACT

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between **Larry Walker** the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. **S/019/061** which the Operator has filed with the Division and has been determined by the Division to be complete (Complete NOI) as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act; and

WHEREAS, Operator is obligated to reclaim the lands affected by the mining operations in accordance with the Act and the regulations, and is obligated to provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to promptly reclaim in accordance with the requirements of the Act and applicable regulations, as they may be amended, all of the lands affected by the mining operations conducted or to be conducted pursuant to a Complete Notice of Intention.
2. The Lands Affected by the mining operations and subject to the requirements of the Act and this Contract include:
 - A. All surface and subsurface areas affected or to be affected by the mining operations including but not limited to private on-site ways, roads, railroads; land excavations; drill sites and

workings; refuse banks or spoil piles; evaporation or settling ponds; stockpiles; leaching dumps; placer areas; tailings ponds or dumps; work, parking, storage, and waste discharge areas, structures, and facilities; and

- B. All mining disturbances regardless of discrepancies in the map and legal description, unless explicitly and clearly identified as EXCLUDED on maps, and legal descriptions included in the Complete NOI; provided lands may be excluded only if: (1) they were disturbed by mining operations that ceased prior to July 1, 1977; (2) the lands would be included but have been reclaimed in accordance with a complete notice or reclamation plan; or (3) the lands were disturbed by a prior operation for which there is no surety, no legally responsible entity or person, and which lands are not necessarily or incidentally intended to be affected by the mining operations as described in the Complete NOI.
3. The Operator shall be responsible for reclamation of all such Lands Affected regardless of errors or discrepancies in the maps or legal descriptions provided with the NOI which are intended to assist in determining the location of the mining operations, to describe the areas of disturbance, and to assist estimating the amount of surety required.
4. The Operator prior to commencement of any mining operations and as a precondition to the rights under the Notice of Intention shall provide a surety in a form permitted by the Act and in an amount sufficient to assure that reclamation of the Lands Affected will be completed as required by the Act. The Surety shall remain in full force and effect according to its terms unless modified by the Division in writing. A copy of the agreement providing for the Surety for the reclamation obligations herein is included as **ATTACHMENT A** to this Contract.
5. If the Surety expressly provides for cancellation or termination for non-renewal:
- A. The Operator shall within 60 days following the Division's receipt of notice that the Surety will be terminated or cancelled, provide a replacement Surety sufficient in a form and amount, as required by the Act, to replace the cancelled surety; or
 - B. If the Operator fails to provide an acceptable replacement Surety within 60 days of notice of cancellation or termination, the Division may order the Operator to cease further mining activities, and without further notice proceed to draw upon letters of credit, to withdraw any amounts in certificates of deposit or cash and/or any other forms of surety, and to otherwise take such action as may be necessary to secure the rights of the Division to perfect its claim on the existing surety

for the purpose of fully satisfying all of the reclamation obligations incurred by the Operator prior to the date of termination, and the Division may thereafter require the Operator to begin immediate reclamation of the Lands Affected by the mining operations, and may, if necessary, proceed to take such further actions as may be required for the Division to forfeit the surety for the purpose of reclaiming the Lands Affected.

6. The Operator's liability under this Contract shall continue in full force and effect until the Division finds that the Operator has reclaimed the Lands Affected by mining operations in accordance with the Act and regulations, as amended. If the mining operations are modified or for any other reason vary from those described in the Complete Notice of Intention, the Operator shall immediately advise the Division, and the Notice of Intention shall be revised and the Surety amount shall be adjusted as necessary.
7. If reclamation of discrete sections of the Lands Affected by the mining operations is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the mining area, Operator may request the Division to find that Operator has reclaimed such area. If the Division makes such finding, Operator may make request to the Division for a reduction in the aggregate face amount of the Surety, and the Division may reduce the surety to an amount necessary to complete reclamation of the remaining mining operations as anticipated by the Complete Notice of Intention in accordance with the requirements of the Act and regulations, as amended.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the applicable rules.
9. Operator agrees to pay all legally determined public liability and property damage claims resulting from mining operations, to pay all permit fees, to maintain suitable records, to file all required reports, to permit reasonable inspections, and to fulfill all sundry reporting requirements applicable to the mine as required by the Act and implementing rules.
10. Operator agrees to indemnify and hold harmless the State, Board, and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
11. If Operator shall default in the performance of its obligations hereunder, Operator shall be liable for all damages resulting from the breach hereof including all costs, expenses, and reasonable attorney's fees incurred by the Division and/or the Board in the enforcement of this Contract.

12. Any breach of a material provision of this Contract by Operator may, at the discretion of the Division, in addition to other remedies available to it, result in an order by the Division requiring the Operator to cease mining operations, and may thereafter result in an Order, subject to an opportunity for notice and hearing before the Board, withdrawing and revoking the Notice of Intention, and requiring immediate reclamation by the Operator of the Lands Affected or forfeiture of the Surety.
13. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount that is required to comply with this Contract. Upon completion of the reclamation of all of the Lands Affected, any excess monies resulting from forfeiture of the Surety shall be returned to the rightful claimant.
14. The Operator shall notify the Division immediately of any changes in the Operator's registered agent, the Operator's address, form of business, name of business, significant changes in ownership, and other pertinent changes in the information required as part of the Notice of Intention. Notwithstanding this requirement, any changes to the Notice of Intention, and any errors, omissions, or failures to fully or accurately complete or update the information on the Notice of Intention, or the attached maps, shall not affect the validity of this Contract and the rights of the Division to enforce its terms.
15. If requested by the Division, the Operator shall execute addendums to this Contract to add or substitute parties, or to reflect changes in the Operator, Surety, and otherwise modify the Contract to reflect changes in the mining operations as requested by the Division. All modifications must be in writing and signed by the parties, and no verbal agreements, or modifications in any of the terms or conditions shall be enforceable.
16. This Contract shall be governed and construed in accordance with the laws of the State of Utah.

The signatory below represents that the Operator, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah, and that he/she is authorized to execute this Contract on behalf of the entity as Operator.

OPERATOR:

LARRY WALKER

Operator Name

By LARRY WALKER Authorized Officer
(Typed or Printed)

Authorized Officer - Position - INDIVIDUAL

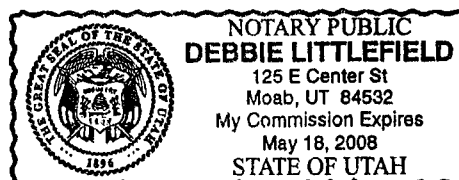
[Signature] 7/26/06
Officer's Signature Date

STATE OF UTAH)
) ss: COUNTY OF GRAND)

On the 26TH day of JULY, 2006, LARRY WALKER
personally appeared before me, who being by me duly sworn did say that
he/she is an INDIVIDUAL (owner, officer, director, partner, agent
or other (specify)) of the Operator LARRY WALKER and duly
acknowledged that said instrument was signed on behalf of said Operator by
authority of its bylaws, a resolution of its board of directors or as may otherwise
be required to execute the same with full authority and to be bound hereby.

[Signature]
Notary Public

Residing at MOAB UT
MAY 18, 2008
My Commission Expires:



DIVISION OF OIL, GAS AND MINING:

By John R. Baza
John R. Baza, Director

Date 8/17/06

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 17 day of August, 2006, John R. Baza
personally appeared before me, who being duly sworn did say that he, the said
John R. Baza is the Director of the Division of Oil, Gas and Mining,
Department of Natural Resources, State of Utah, and he duly acknowledged to me that
he executed the foregoing document by authority of law on behalf of the State of Utah.



Diane Holland
Notary Public
Residing at: Salt Lake City, Utah

5/8/2010
My Commission Expires:

FACT SHEET

Commodity: Carnelian Agate

Mine Name: **Tusher Redwood**

County: Grand

Acres: one (1)

Operator Name: Larry Walker

Operator Address: Post Office Box 25, Moab, Utah, 84532

Operator email: realoldrocks@yahoo.com

Operator telephone: 435-210-0086

Contact: **Larry Walker, 435-210-0086**

Surety: Cash

Surety Amount: \$1,000.00

Bank Name: Utah State Treasurer's Office (through Zions Bank)

Account Number: Attachment A (to be issued)

Contact: Beth Ericksen, Division of Oil, Gas and Mining

Phone number: 801 538 5318

Escalation Year: 2009

Tax Id Number: 528 66 8780